

Title	Homeland Security – Avian Flu; Terrorism Preparedness	
Secretariat	Administration	
Agency	Admin of Health Insurance	Federal \$ requested FY07
Secretariat Priority	1	\$1,000,000
Category	Earmark	Federal \$ requested FY08
		\$100,000,000
Member of Congress		
	Eric Cantor	Comments
		Fy09 and FY10 require \$6,000,000 per year.
Committee	Subcommittee	
Appropriations HR	Homeland Security HR	
Appropriations S	Homeland Security S	

Project Summary

Provide funding to ensure emergency laboratory testing response to infectious diseases such as Avian Flu or to chemical or biological terrorist attacks.

Virginia Goal

Decrease incidents of infectious diseases such as Avian Flu and chemical or biological terrorist attacks.

Request Details

Virginia requests that Congress: 1. Provide earmarked funding of \$3.0 million in FFY 2007 and \$1.5 million per year in successive years to complete the Virginia Division of Consolidated Laboratory Services (DCLS) Biosafety Level 4 (BSL4) laboratory and support full implementation of its high hazard containment laboratories and analytical capabilities; 2. Ensuring badly needed laboratory testing capacity to support testing of infectious diseases such as Avian Flu; 3. Ensuring the availability of emergency laboratory services in the event of a chemical or biological terrorist attack.

Background

The rapid spread of Avian Flu through Asia and Europe and into Africa, makes it critical to have access to laboratories capable of safely analyzing specimens for the virus. The Centers for Disease Control (CDC) is the only laboratory permitted to conduct definitive testing for Avian Flu in humans. If Avian Flu is identified in the US, the demands for laboratory analysis will increase exponentially, and, in short order, the CDC's ability to provide analysis will be overwhelmed. The extreme shortage of laboratories that can receive and safely analyze unknown materials that may contain chemical weapons or the most deadly infectious disease agents has been identified as a major gap in our homeland security posture. National Institutes of Health funding has been provided to a small number of universities to build high containment laboratories for research into biological weapons, but these facilities are still being planned and are not in operation. The Edgewood Chemical and Biological Command in Maryland and the Lawrence Livermore National Laboratory in California comprise most of the nation's capability and capacity to safely analyze samples that may contain chemical weapons. In the event of a

national emergency, all of these laboratories would be overloaded within hours. If any of these facilities were destroyed, laboratory analysis for the most deadly biological and chemical agents would not be available. Virginia just completed a state-of-the-art laboratory designed for maximum safety and security. The facility includes an extensive Biosafety Level 3 laboratory (a Biosafety Level 4 laboratory is under construction) capable of receiving and characterizing potential biological or chemical agents. DCLS laboratory personnel are nationally recognized for their analytical expertise. DCLS currently provides laboratory services to several federal agencies and to neighboring states, but lacks sufficient resources to fully support the testing for biological and/or chemical weapons and for emerging infectious diseases. Funding is needed to complete the BSL4 laboratory and to fully implement use of our other resources to support the public's health and safety.

Virginia Impact

Funding to complete DCLS' BSL4 and high hazard laboratories will provide for safe and secure analysis of unknown high hazard samples. It will provide additional capability and capacity to the federal government for a fraction of the cost of building new facilities.

Title Federal General Services Administration Schedules;
Increase Availability And State Electronic Access

Secretariat	Administration	
Agency	General Services	Federal \$ requested FY07
Secretariat Priority	2	\$15,000
Category	Policy	Federal \$ requested FY08
		\$1,500,000
Member of Congress		Comments
	Frank Wolfe	
Committee		Subcommittee
Appropriations HR		Homeland Security HR
Appropriations S		Homeland Security S

Project Summary

Increase savings for the Federal Government, Virginia and all other states, through use of all Federal General Services Administration (GSA) schedules, and increase all state's efficiency of purchasing from the schedules by expanding use of eVA, Virginia's electronic procurement network to other states.

Virginia Goal

Increase savings for the Federal Government, Virginia and all other states, through use of all Federal General Services Administration (GSA) schedules, and increase all state's efficiency of purchasing from the schedules by expanding use of eVA, Virginia's electronic procurement network to other states

Request Details

Virginia requests that Congress: 1. Authorize the use of all GSA schedules by states for general purchasing through a policy change and legislative modification. Congress currently authorizes state use only of certain GSA schedules for general purchasing. Authorizing states to use all GSA schedules for general purchasing will increase state buying from GSA schedules and enable the Federal Government to leverage the state's buying power with its own, resulting in overall lower prices from vendors and budget savings for the Federal Government, Virginia and other states. Access to all GSA schedules will improve support for critical programs such as Homeland Security by increasing access to a greater range of goods and services in support of these programs at lower prices; 2. Provide earmarked funding of \$3.0 million in FFY 2007 for hardware and personnel resources and \$2.0 million in FFY 2008 and 2009 for personnel resources to expand Virginia's electronic procurement access to GSA schedules to all states. eVA currently interfaces with the Federal GSA Buying System. Providing funding to expand availability of eVA to all states will enable easier access and more efficient purchasing from GSA schedules and increase savings for the Federal Government, Virginia and other states.

Background

GSA has already invested in and successfully established an interface between eVA, Virginia's Electronic Procurement System, and its own Advantage Buying System.

Investment by GSA in eVA has established the groundwork to permit expansion of the network to other states. Federal funding is needed to purchase additional hardware and fund personnel resources to support the operation and maintenance of eVA for use by all states.

Virginia Impact

Authorization for states to use all GSA schedules will increase savings for the Federal Government, Virginia, and other states, and increase access to goods and services in support of critical programs such as Homeland Security. Funding to expand Virginia's Electronic Procurement System, eVA, to all states will make purchasing from GSA schedules easier and enable the Federal Government to increase savings for the Federal Government, Virginia, and other states through leveraging greater buying power.

Title Restore 25 Percent Reduction In Community Development Block Grant (Cdbg) Funding And Other Programs Funded By The Community Development Fund

Secretariat	Commerce and Trade	
Agency	Economic Development Partners	Federal \$ requested FY07
Secretariat Priority	1	\$2,000,000
Category	Earmark	Federal \$ requested FY08
		\$2,000,000
Member of Congress		Comments
	J Randy Forbes	Future years will need \$1,000,000 annually.
Committee		Subcommittee
Appropriations HR		Transportation, Treasury, HUD, The Judi
Appropriations S		Transportation, Treasury, the Judiciary, I

Project Summary

Increase community development and revitalization efforts by maintaining or increasing Community Development Block Grant (CDBG) funding.

Virginia Goal

Increase community development and revitalization efforts by maintaining or increasing Community Development Block Grant (CDBG) funding.

Request Details

Virginia requests restoration of the 25 percent reduction that the Administration proposes to make in CDBG funding from the current funding level. Virginia also requests restoration of the other critical community development programs funded by the Community Development Fund. The President's reduced budget proposes to eliminate programs such as the Brownfields Redevelopment Initiative, the Rural Housing and Economic Development program, and the Empowerment Zones/Enterprise Communities program, which was not funded in FFY 2006. In addition, the President's budget proposes to further target community development resources to the most distressed communities.

Background

Virginia localities will receive an estimated \$62 million in CDBG funds in FFY 2006. [Large urban areas receive CDBG funding directly from the U.S. Department of Housing and Urban Development (HUD).] The Virginia Department of Housing and Community Development allocates CDBG funds (\$19.5 million in FFY 2006) to the non-urban portions of the state. This flexible block grant provides funding for a wide range of services targeted to low- and moderate-income citizens and distressed communities. The CDBG program is vital to the revitalization and enhancement of communities across the Commonwealth. This program provides localities and the State with the necessary funds to repair aging infrastructure, build community facilities, reduce blight and develop and preserve quality, affordable housing for Virginians. Virginia has used its CDBG program to

fund a wide range of projects including housing rehabilitation, development of affordable housing in urban and rural areas, water and sewer projects, downtown revitalization, economic development initiatives and many other community building projects. CDBG funds are a critical resource for non-urban communities in addressing a variety of community and economic development needs. Many of these projects will not be funded if the proposed cuts are enacted.

Virginia Impact

Virginia's non-entitlement CDBG program provides housing improvements, water and wastewater disposal, employment opportunities, medical clinics, improved downtown spaces and comprehensive neighborhood improvements to low-income citizens from the Coalfields to the Eastern Shore. Many people in these communities will not receive these facilities and services under the current budget proposal. In addition to the impact on Virginia's non-entitled communities, 29 "entitlement communities" in the Commonwealth that will be impacted. These communities represent the largest cities and counties in the state, and collectively they received over \$43 million of CDBG funds in FFY 2006. The President's budget will likely translate into a \$14 million reduction for these communities if approved. In addition, if the proposal to further target resources is approved, assistance to several entitlements could be lost. These communities are clustered in the Commonwealth's larger metropolitan areas where affordable housing has become a critical need. CDBG funding is often used in conjunction with mortgage funds in order to serve lower income households and provide affordable workforce housing in high cost areas. In high cost urban areas and lower-income rural and inner city communities, CDBG subsidies are essential to closing the affordability gap for first-time homebuyers and structuring feasible affordable rental housing developments.

Title Federal Mine Safety Legislation

Secretariat Commerce and Trade

Agency Mines & Energy

Secretariat Priority 2

Category Policy

Member of Congress

J Randy Forbes

Committee

Committee on Health, Education, Lab

Federal \$ requested FY07

\$6,200,000

Federal \$ requested FY08

\$6,800,000

Comments

Subcommittee

Project Summary

Assure that proposed federal mine safety legislation addresses actual coal mine safety needs and does not require systems that are unproven for use in underground coal mines.

Virginia Goal

Assure that proposed federal mine safety legislation addresses actual coal mine safety needs and does not require systems that are unproven for use in underground coal mines.

Request Details

N/A

Background

S. 2231 (Rockefeller/Byrd) was proposed by the West Virginia Senate delegation in response to recent coal mining accidents that killed 14 West Virginia miners. The proposed legislation would address issues such as accident notification, mine rescue, mine ventilation, availability of oxygen, and requirements for wireless communication and miner tracking systems in underground coal mines. The legislation would also increase civil penalties and establish an Office of Science and Technology Transfer and a mine safety ombudsman at the Mine Safety and Health Administration (MSHA). Senator Arlen Specter of Pennsylvania is reportedly developing a similar piece of legislation. Some of these requirements will enhance safety for the nation's coal miners without adversely affecting the ability of the industry to operate, while others may not yet be technically feasible. Underground communication and tracking systems are currently unproven, unapproved for safe use in an explosive environment, and not widely available.

Some of the features of this legislation are not desirable, however. For example, it would not be practical for small mines to meet the requirement for each mine to maintain its own mine rescue team. Also, prohibiting the use of passages containing conveyor belts for ventilating active working places would be technically difficult for mines that operate longwall equipment. Such a restriction could result in inadequate ventilation and create hazardous conditions from methane accumulations.

Virginia Impact

Coal mining companies would have considerable additional expenses for emergency preparedness and communications and rescue equipment. The exact amount of these

expenses would depend on the regulations promulgated by MSHA to enact the new standards. Smaller mining operations may have trouble remaining open with the new requirements in place. In Virginia, where small companies operate many of the underground mines, the requirements would have a disproportionately large impact compared to neighboring coal states. This would have a serious economic impact on parts of southwestern Virginia where coal mines are the major employer.

State and local tax revenues from coal would be reduced if mining operations close. The amount of this potential impact is not known.

Title Conformity of State and Federal Tax Systems

Secretariat Finance

Agency Treasury

Secretariat Priority 1 \$100,000

Category Earmark **Federal \$ requested FY08**

\$100,000

Member of Congress

Bobby Scott

Comments

Committee

Subcommittee

Committee on Finance S

Committee on Ways and Means HR

Joint Committee on Taxation

Project Summary

Limit the state and local impact of federal tax preferences

Virginia Goal

Limit the state and local impact of federal tax preferences

Request Details

Enact federal tax preferences in a manner such that states are not forced to conform to them or to create complex adjustments to state taxable income in order to deconform from a federal tax preference. Specifically, federal tax preferences should be implemented as credits or as special deductions that are easily isolated from federal adjusted gross income or from federal taxable income.

Background

Coordinating federal and state tax systems benefits everyone. However, the ever-expanding number of federal tax preferences has forced Virginia and other states to back away from automatic conformity, and to deconform from specific federal tax preferences in order to avoid unanticipated and significant revenue impacts. The decision to deconform state tax systems has several undesirable consequences. It:

- *Complicates tax preparation for taxpayers

- *Complicates state budgeting processes

- * May increase tax noncompliance

A number of states deconformed from the domestic producer deduction. The size of the revenue impact forced Virginia to consider it, but we refrained.

Virginia Impact

Virginia continues to deconform from two earlier preferences, the five-year net operating loss carryback and bonus depreciation. This adds complexity to Virginia's income tax forms.